

**MAIL TO:**

STATE OF UTAH  
DIVISION OF PURCHASING  
3150 STATE OFFICE BUILDING, STATE CAPITOL  
P.O. BOX 141061  
SALT LAKE CITY, UTAH 84114-1061  
TELEPHONE (801) 538-3026  
<http://purchasing.utah.gov>

**Request for Proposal**Solicitation Number: **RM6004**Due Date: **07/27/05 at 3:00 P.M.**

Date Sent: June 22, 2005

**Agency Contract**Goods and services to be purchased: **CONTRACT TO PROVIDE EXAMINATIONS FOR THE REAL ESTATE DIVISION****Please complete**

Company Name		Federal Tax Identification Number	
Ordering Address	City	State	Zip Code
Remittance Address (if different from ordering address)	City	State	Zip Code
Type <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Proprietorship <input type="checkbox"/> Government	Company Contact Person		
Telephone Number (include area code)	Fax Number (include area code)		
Company's Internet Web Address	Email Address		
Discount Terms (for bid purposes, bid discounts less than 30 days will not be considered)	Days Required for Delivery After Receipt of Order (see attached for any required minimums)		
<p>The following documents are included in this solicitation: Solicitation forms, instructions and general provisions, and specifications. <u>Please review all documents carefully before completing.</u></p> <p>The undersigned certifies that the goods or services offered are produced, mined, grown, manufactured, or performed in Utah. Yes_____ No_____. If no, enter where produced, etc._____</p>			
Offeror's Authorized Representative's Signature		Date	
Type or Print Name		Position or Title	

**STATE OF UTAH  
DIVISION OF PURCHASING**

**Request for Proposal**

**Solicitation Number: RM6004**

**Due Date: 07/27/05**

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**Vendor Name:**

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CONTRACT TO PROVIDE EXAMINATIONS FOR THE REAL ESTATE DIVISION PER THE ATTACHED RFP.
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RX: 670 5RX00000023 COMMODITY CODE: 92420
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## REQUEST FOR PROPOSAL - INSTRUCTIONS AND GENERAL PROVISIONS

**1. PROPOSAL PREPARATION:** (a) All prices and notations must be in ink or typewritten. (b) Price each item separately. Unit price shall be shown and a total price shall be entered for each item bid. (c) Unit price will govern, if there is an error in the extension. (d) Delivery time of services and products as proposed is critical and must be adhered to. (e) All products are to be of new, unused condition, unless otherwise requested in this solicitation. (f) Incomplete proposals may be rejected. (g) This proposal may not be withdrawn for a period of 60 days from the due date. (h) Where applicable, all proposals must include complete manufacturer's descriptive literature. (i) By signing the proposal the offeror certifies that all of the information provided is accurate, that they are willing and able to furnish the item(s) specified, and that prices offered are correct.

**2. SUBMITTING THE PROPOSAL:** (a) The proposal must be signed in ink, sealed, and delivered to the DIVISION OF PURCHASING (DIVISION), 3150 State Office Building, Capitol Hill, Salt Lake City, UT 84114-1061. **The "Solicitation Number" and "Due Date" must appear on the outside of the envelope.** (b) Proposals, modifications, or corrections received after the closing time on the "Due Date" will be considered late and handled in accordance with the Utah Procurement Rules, section 3-209. (c) **Your proposal will be considered only if it is submitted on the forms provided by the state. Facsimile transmission of proposals to DIVISION will not be considered.** (d) All prices quoted must be both F.O.B. Origin per paragraph 1.(c) and F.O.B. Destination. Additional charges including but not limited to delivery, drayage, express, parcel post, packing, cartage, insurance, license fees, permits, costs of bonds, or for any other purpose must be included in the proposal for consideration and approval by the Division of Purchasing & General Services (DIVISION). Upon award of the contract, the shipping terms will be F.O.B. Destination with all transportation and handling charges paid by the Contractor, unless otherwise specified by the DIVISION. No charge for delivery, drayage, express, parcel post, packing, cartage, insurance, license fees, permits, costs of bonds, or for any other purpose will be paid by the state unless specifically included in the proposal and accepted by DIVISION. (e) By signing the proposal the offeror certifies that all of the information provided is accurate and that he/she offers to furnish materials/services for purchase in strict accordance with the requirements of this proposal including all terms and conditions.

**3. SOLICITATION AMENDMENTS:** All changes to this solicitation will be made through written addendum only. Bidders are cautioned not to consider verbal modifications.

**4. PROPRIETARY INFORMATION:** Suppliers are required to mark any specific information contained in their bid which is not to be disclosed to the public or used for purposes other than the evaluation of the bid. Each request for non-disclosure must be accompanied by a specific justification explaining why the information is to be protected. Pricing and service elements of any proposal will not be considered proprietary. All material becomes the property of the state and may be returned only at the state's option. Proposals submitted may be reviewed and evaluated by any persons at the discretion of the state.

**5. BEST AND FINAL OFFERS:** Discussions may be conducted with offerors who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of assuring full understanding of, and responsiveness to, solicitation requirements. Prior to award, these offerors may be asked to submit best and final offers. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by a competing offeror.

**6. SAMPLES:** Samples, brochures, etc., when required, must be furnished free of expense to the state and if not destroyed by tests may, upon request made at the time the sample is furnished, be returned at the offeror's expense.

**7. DIVISION APPROVAL:** Contracts written with the State of Utah, as a result of this proposal, will not be legally binding without the written approval of the Director of the DIVISION.

**8. AWARD OF CONTRACT:** (a) The contract will be awarded with reasonable promptness, by written notice, to the responsible offeror whose proposal is determined to be the most advantageous to the state, taking into consideration price and evaluation factors set forth in the RFP. No other factors or criteria will be used in the evaluation. The contract file shall contain the basis on which the award is made. Refer to Utah Code Annotated 65-56-21. (b) The DIVISION can reject any and all proposals. And it can waive any informality, or technicality in any proposal received, if the DIVISION believes it would serve the best interests of the state. (c) Before, or after, the award of a contract the DIVISION has the right to inspect the offeror's premises and all business records to determine the offeror's ability to meet contract requirements. (d) The DIVISION will open proposals publicly, identifying only the names of the offerors. Proposals and modifications shall be time stamped upon receipt and held in a secure place until the due date. After the due date, a **register** of proposals shall be established. The **register** shall be open to public inspection, but the proposals will be seen only by authorized DIVISION staff and those selected by DIVISION to evaluate the proposals. The proposal(s) of the successful offeror(s) shall be open for public inspection for 90 days after the award of the contract(s). (e) Utah has a reciprocal preference law which will be applied against bidders bidding products or services produced in states which discriminate against Utah products. For details see Section 63-56 20.5 -20.6, Utah Code Annotated.

**9. ANTI-DISCRIMINATION ACT:** The offeror agrees to abide by the provisions of the Utah Anti-discrimination Act, Title 34 Chapter 35, U.C.A. 1953, as amended, and Title VI and Title VII of the Civil Rights Act of 1964 (42 USC 2000e), which prohibit discrimination against any employee or applicant for employment, or any applicant or recipient of services, on the basis of race, religion, color, or national origin; and further agrees to abide by Executive Order No. 11246, as amended, which prohibits discrimination on the basis of sex; 45 CFR 90 which prohibits discrimination on the basis of age, and Section 504 of the Rehabilitation Act of 1973 or the Americans with Disabilities Act of 1990, which prohibits discrimination on the basis of disabilities. Also offeror agrees to abide by Utah's Executive Order, dated March 17, 1993, which prohibits sexual harassment in the workplace. Vendor must include this provision in every subcontract or purchase order relating to purchases by the State of Utah to insure that the subcontractors and vendors are bound by this provision.

**10. WARRANTY:** The contractor agrees to warrant and assume responsibility for all products (including hardware, firmware, and/or software products) that it licenses, contracts, or sells to the State of Utah under this contract for a period of one year, unless otherwise specified and mutually agreed upon elsewhere in this contract. The contractor (seller) acknowledges that all warranties granted to the buyer by the Uniform Commercial Code of the State of Utah applies to this contract. Product liability disclaimers and/or warranty disclaimers from the seller are not applicable to this contract unless otherwise specified and mutually agreed upon elsewhere in this contract. In general, the contractor warrants that: (1) the product will do what the salesperson said it would do, (2) the product will live up to all specific claims that the manufacturer makes in their advertisements, (3) the product will be suitable for the ordinary purposes for which such product is used, (4) the product will be suitable for any special purposes that the State has relied on the contractor's skill or judgement to consider when it advised the State about the product, (5) the product has been properly designed and manufactured, and (6) the product is free of significant defects or unusual problems about which the State has not been warned. Remedies available to the State include the following: The contractor will repair or replace (at no charge to the State) the product whose nonconformance is discovered and made known to the contractor in writing. If the repaired and/or replaced product proves to be inadequate, or fails of its essential purpose, the contractor will refund the full amount of any payments that have been made. Nothing in this warranty will be construed to limit any rights or remedies the State of Utah may otherwise have under this contract.

**11. DEBARMENT:** The CONTRACTOR certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency. If the CONTRACTOR cannot certify this statement, attach a written explanation for review by the STATE.

**12. ENERGY CONSERVATION AND RECYCLED PRODUCTS:** The contractor is encouraged to bid Energy Star certified products or products that meet FEMP (Federal Energy Management Program) standards for energy consumption. The State of Utah also encourages contractors to bid products that are produced with recycled materials, where appropriate, unless otherwise requested in this solicitation.

**13. GOVERNING LAWS AND REGULATIONS:** All State purchases are subject to the Utah Procurement Code, Title 63, Chapter 56 Utah Code Annotated 1953, as amended, and the Procurement Rules as adopted by the Utah State Procurement Policy Board (Utah Administrative Code Section R33). These are available on the Internet at [www.purchasing.utah.gov](http://www.purchasing.utah.gov).

(Revision 1 Mar 2005 - RFP Instructions)

**REQUEST FOR PROPOSAL  
ADMINISTRATION OF PRELICENSING EXAMINATIONS  
FOR THE DIVISION OF REAL ESTATE  
Solicitation #RM6004**

**PURPOSE OF REQUEST FOR PROPOSAL (RFP)**

The Division of Real Estate is seeking the services of an outside vendor to provide examinations of real estate sales agents and brokers; mortgage lenders and principal lending managers; and licensed, certified residential, and certified general appraisers. The exams will consist of a nationally developed general portion, which tests the candidates' knowledge of accepted real estate, mortgage lender, and appraiser principles and practices. The state portion of the exam tests the candidates' knowledge of the state of Utah's real estate, mortgage lender, and appraiser statutes and rules. The appraiser examinations must either be developed by the appraisal qualifications board of the federal Appraisal Subcommittee or specifically approved by them for the three appraiser classifications including licensed appraiser, certified residential and certified general. The purpose of the examinations will be to assess the competency of entry-level real estate, mortgage, and appraiser licensees in the state of Utah. It is anticipated that this RFP may result in a contract award to a single contractor.

This RFP is designed to provide interested offerors with sufficient basic information to submit proposals meeting minimum requirements, but is not intended to limit a proposal's content or exclude any relevant or essential data. Offerors are at liberty and are encouraged to expand upon the specifications to evidence service capability under any agreement.

**BACKGROUND**

The Purpose of a Utah pre-licensing examination is to assess a license applicant's minimum level of knowledge of the principles and laws by which he will conduct his business.

It is the intent of the RFP to solicit proposals from persons or companies who are interested in providing the development and administration of these examination programs and related licensure support services. This RFP will also describe the Utah requirements for the development and administration of such pre-licensing exams.

The state of Utah administered the following exams in **2003**:

Real Estate Broker	288
Real Estate Sales Agent	3222
Licensed Appraiser	41
Certified Residential	39

The state of Utah administered the following exams in **2004**:

Real Estate Broker	362
Real Estate Sales Agent	3442
Licensed Appraiser	55
Certified Residential	24
Certified General	13
*Mortgage Lender	9406

\*During 2003, a state statute was enacted that required existing mortgage lenders to pass a competency exam by 12/31/04 or their licenses would be involuntarily inactivated until such exam was passed. As of 5/24/05, there are still 4,232 involuntarily inactivated mortgage lender licenses.

The state of Utah administered the following exams from **Jan 1 – Apr 30, 2005**:

Real Estate Broker	115
Real Estate Sales Agent	1481
Licensed Appraiser	29
Certified Residential	11
Certified General	6
Mortgage Lender	2254

### **ISSUING OFFICE AND RFP REFERENCE NUMBER**

The State of Utah Division of Purchasing is the issuing office for this document and all subsequent addenda relating to it. The reference number for the transaction is RM6004. This number must be referred to on all proposals, correspondence, and documentation relating to RFP.

### **SUBMITTING YOUR PROPOSAL**

One original and ten identical copies of the proposal must be received at the State of Utah Division of Purchasing, 3150 State Office Building, Capitol Hill, Salt Lake City, Utah 84114, prior to the closing date and time specified. Proposals received after the deadline will be late and ineligible for consideration.

### **DEFINITIONS**

1. Division of Real Estate or DRE – the governmental agency that regulates real estate and appraiser licensees.

2. Offeror – Person or company submitting a proposal in order to attain a contract with the Division of Real Estate.
3. Vendor – Person or company whose proposal has been accepted by the DRE.
4. Director – The director of the DRE.
5. Commission – The Utah Real Estate Commission.
6. Board – The Utah Appraiser Licensing and Certification Board.
7. Request for Proposal or RFP – The formal procurement process where a service or need is planned but no specific service or method had been chosen. Offerors are given the opportunity to suggest various approaches to meet the need at a given price.

### **LENGTH OF CONTRACT**

The Contract resulting from this RFP will be from January 6, 2006 through December 31, 2011. The contract may be extended beyond the original contract period on a year to year basis for up to three (3) additional year's at the State's discretion and by mutual agreement.

### **PRICE GUARANTEE PERIOD**

All pricing must be guaranteed for the entire term of the contract. Following the guarantee period, any request for price adjustment must be for an equal guarantee period, and must be made at least 30 days prior to the effective date. Requests for price adjustment must include sufficient documentation supporting the request. Any adjustment or amendment to the contract will not be effective unless approved by the State Director of Purchasing. The State will be given the immediate benefit of any decrease in the market, or allowable discount.

### **STANDARD CONTRACT TERMS AND CONDITIONS**

Any contract resulting from this RFP will include the State's standard terms and conditions. These may be accessed at:

<http://www.purchasing.utah.gov/contractinfo/TermsAgency.pdf>

### **QUESTIONS**

All questions must be submitted in writing and may be submitted to Roselle Miller via email at: [rwmiller@utah.gov](mailto:rwmiller@utah.gov) or via fax at: 801-538-3882. Questions are due by 5:00 p.m. on Tuesday, July 5, 2005. Questions received after that date may not be answered. Answers will be given via an addendum posted on the Division of Purchasing website.

## **DISCUSSIONS WITH OFFERORS (ORAL PRESENTATION)**

An oral presentation by an offeror to clarify a proposal may be required at the sole discretion of the State. However, the State may award a contract based on the initial proposals received without discussion with the Offeror. If oral presentations are required, they will be scheduled after the submission of proposals. Oral presentations will be made at the offeror's expense.

## **PROPRIETARY INFORMATION**

The proposal of the successful offeror(s) becomes public information. Proprietary information can be protected under limited circumstances such as client lists and non-public financial statements. Pricing and service elements are not considered proprietary. An entire proposal may not be marked as proprietary. Offerors must clearly identify in the Executive Summary and mark in the body of the proposal any specific proprietary information they are requesting to be protected. The Executive Summary must contain specific justification explaining why the information is to be protected. Proposals may be reviewed and evaluated by any person at the discretion of the State. All materials submitted become the property of the State of Utah and may be returned only at the State's option.

## **DETAILED SCOPE OF WORK**

### **MANAGEMENT AND STAFFING CAPABILITIES AND SPECIFICATIONS**

Offerors should demonstrate the ability to perform the full range of test research, development, maintenance, delivery and administrative services in an adequate and cost effective manner without the use of subcontractors.

1. Provide a brief description of your organization's history and purpose. Include the year when your organization began testing services. Provide copies of your most recent annual report and organization structure.
2. Describe your staff, including their credentials and /or applicable experience. Provide an organization chart with a general description of the departments, the responsibilities of each and how they work with each other on a client project. Indicate lines of authority for personnel involved in performance of this potential Utah contract and relationship of this staff to other programs or functions of the firm.
3. Identify specific staff that will be assigned to the Utah contract indicating the responsibilities and qualifications of each and the amount of time that will be assigned to the Utah project. Provide resumes' for these staff members. Identify the name of the person within the firm who will have prime responsibility and final authority for the Utah contract.

4. Provide a list of names, positions, and contact information of clients for whom you have provided or are currently providing similar services as those required by this RFP. Provide contract dates and a description of the services delivered by the Offeror to each of the clients named. Offeror must grant permission to DRE to contact all references provided. Provide 2004 pass/fail statistics for each real estate client for whom you are providing test administration services.
5. Indicate if the Offeror has had a contract terminated for default in the last five years. Termination for default is defined as notice to stop performance, which was delivered to the Offeror due to the Offeror's non-performance, or poor performance.

(NOTE: If the Offeror has had a contract terminated for default within the past five years, the Offeror shall submit full details including the other party's name, address, and phone number. The DRE will evaluate the facts and may, at its sole discretion, reject the proposal on the grounds of its past experience.)
6. Indicate any other experience that indicates the qualifications of the Offeror for the performance of the potential contract.

## **TEST DEVELOPMENT**

Offerors should document capabilities for conducting research related to test development, as well as all related psychometric capabilities including the composition and editing of new test questions (Items) and ongoing statistical analysis for determining reliability and validity. The DRE will retain the authority for final review and approval of all examination specification and items to be used. Vendor will provide periodic item writing seminars for the purpose of updating and keeping current the State portion of the exam. Vendor will be responsible for all associated costs for test development. The state item bank shall be copyrighted at the Vendor's expense subject to the Division's permanent license to use the items. Refer to Appendices I – III for the required content and form of the examinations.

1. In order to assure validity of the exam, explain the procedure for linking the content of the exam to specific job-related activities. If Offeror's exams are based on job analyses, explain the procedure for developing the relevant survey questions. Provide written examples of the survey questionnaire.
2. Explain the procedure for writing and reviewing test items. Explain preferred reasons and methods for utilizing subject matter experts (SMEs) in the review and development of items and examinations. Vendor will annually provide an in-state item-writing seminar for the purpose of training Utah instructors how to write valid exam items and for the purpose of increasing items in the state-specific exam bank.



3. Explain the procedure for executing ongoing psychometric analyses of the performance of items and examination, to include the monitoring of item difficulties according to a generally accepted theory.
4. Explain the method of examination equating that assures that each candidate exposed to a set of test items has an examination that is neither easier nor more difficult than that taken by another candidate. The Offeror's equating method should use the pre-testing of items to establish the items psychometric characteristics independent of the ability distribution of a given candidate sample (e.g., equating based on Item Response Theory or other accepted theory).
5. Describe what internal security measures are in place to protect the integrity of examination items during the development process. In order to discourage memorization and other threats to the security and confidentiality of examination materials, describe how candidates will be provided uniquely ordered presentations of examination versions.
6. Explain the Offeror's ability to incorporate multi-media, simulation, and reference materials into an examination question.
7. Describe the Offeror's statistical reports and item analysis reports that indicate the reliability and validity of items and forms.
8. Describe the procedure for determining a defensible pass rate for the examinees. If a cut-score analysis is to be used, Vendor will periodically provide an in state cut score analysis session.
9. The Vendor will be prepared to defend its examinations and to assume all legal costs associated with a challenge to the validity of the exam. Describe offeror's experience in dealing with examination appeals or challenges to the validity of the exam.
10. All appraiser examinations will comply with new appraisal qualifications board examination requirements becoming effective January 1, 2008.

## **TEST ADMINISTRATION SERVICES**

Vendor will administer computer-based examinations five times each week, excepting state and national holidays, in 1) Salt Lake City (or surrounding suburbs); 2) Ogden; and 3) Provo/Orem, Utah; and 4) either St. George, Utah, or Las Vegas, Nevada. These locations must be approved in advance by the DRE, whose approval will not be unrealistically withheld. There will be at least ten computer- testing stations per testing facility, and testing centers shall have the capability and willingness to administer two testing sessions per day, depending

upon demand. Vendor will be able to administer the general and state sections of the examination separately and be able to report results separately. Vendor will be able to provide the sales agent and mortgage examinations to pre-licensing instructor candidates. Vendor will provide trained test center personnel. Proctors will be trained to administer electronic fingerprinting. Describe ability to capture and transmit electronic fingerprint data.

The Vendor will assure the accessibility of examinations sites and procedures to candidates with disabilities and those with specific religious/military obligations, and will make such reasonable modifications of the examination and /or examination process as may be necessary to meet these candidates' special needs. The site or sites will comply with the Americans with Disabilities Act.

## 1. CANDIDATE HANDBOOK

Describe a plan for producing and distributing a candidate handbook for real estate, mortgage lender and appraisal testing candidates; which contains all information and forms required for candidates to apply for the examination. The candidate handbooks should specify the content and format of the examination, the weighting of the content, sample questions and the specific procedures for examination registration and examination administration. The contents of the candidate handbook will be subject to review and approval by the DRE. Provide a sample form of a handbook.

The vendor will provide approved and accredited schools with candidate handbooks and registration information for all potential test candidates within thirty days of the beginning of the contract period.

## 2. EXAMINATION SITES, SCHEDULES AND PERSONNEL

Describe the ability to provide examination sites in locations that will most conveniently serve the majority of candidates in the state. Describe the process of selecting test center locations and the possibility of expanding the number of centers. Describe the ability to assure that the test centers are ADA compliant. Describe the ability to adjust to those candidates with extenuating needs.

Describe (in a detailed manner), the capability for candidates to take Utah examinations at other testing centers located in states other than Utah. Please include a list of (and any other appropriate information regarding) these test centers

Describe the frequency of test administration at Utah testing facilities and at testing centers outside of Utah.

Describe the procedures for monitoring and maintaining effective operations at the test centers. Define the staff training provided to maintain high-quality and uniform testing conditions. Describe alternate plans for providing substitute personnel in exigent circumstances. Provide sample manuals used by Offeror in other states to train test center personnel.

Describe proctor candidate and proctor manager ratios.

Describe the process for handling power interruptions, latecomers, and any other unforeseen problems that might occur at the test centers.

Discuss security measures to be followed at each test center and procedures for handling suspected breaches of security.

### 3. EXAMINATION SCHEDULING

Describe the procedure by which candidates will schedule examination. Describe the candidate registration process and testing time frames. Describe the possibility of utilizing a multi-mode reservation system that enables candidates to schedule an examination via telephone, e-mail, fax, or the Internet.

Describe Vendor's cancellation/rescheduling policy and associated costs. Candidates must be given the option to change a scheduled examination date with no financial penalty for a reasonable time prior to the scheduled date.

Describe the Offeror's capability to issue the Real Estate Sales agent and mortgage lender exams to pre-licensing instructor candidates even though they may already be in the system previously by virtue of having taken the test as a licensee candidate.

Describe the services the Offeror could provide to respond to candidate inquiries and to resolve candidate concerns in a timely, efficient and responsive manner. Candidates must be instructed that in order to be admitted to the test center, they must submit appropriate documentation of completion of the education requirement and required testing fee. Vendor's scheduling personnel will be appropriately trained to not interpret state law for the applicants.

### 4. EXAMINATION CHECK-IN, SCREENING PROCEDURES

Describe procedures for verifying identities of candidates upon their arrival at the examination site. The test center personnel will deny admission to those candidates who are unable to produce two acceptable forms of identification and/or documentation of eligibility to test. Test center personnel will photograph all candidates prior to their taking the examination. With the

approval of the DRE, the Vendor shall void or cancel the examination score of any candidate who had violated examination procedures or been improperly admitted.

Test center personnel will electronically fingerprint those sales agent and mortgage lender candidates who successfully pass the examination. Describe the electronic fingerprinting equipment to be used and its data transmission capabilities.

## 5. EXAMINATION SCORING AND CANDIDATE REPORTING

Describe Offeror's plan for scoring and reporting of examination scores to candidates immediately upon completion of the exam. Candidate score reports must be printed on tamper-proof paper that cannot be duplicated. Score reports must contain a photograph of the candidate.

Describe Offeror's plan for providing failing score reports that include diagnostic information regarding the candidate's examination performance. Specific instructions for re-examination must also be provided. Passing score reports must include specific instructions for the procedure for licensure.

Describe Offeror's plan for administering a different form of the examination to candidates who retest after failing.

The specific text of the candidate score report shall be subject to DRE approval. Describe Offeror's plan to update and modify score report language after receiving modified text from the DRE.

## 6. SUMMARY REPORTS

Describe summary reports that will be made to the Division. These reports will include summary statistics for all examinations indicating the number of candidates registered, tested and absent; the percent of candidates passing and failing; summary reports showing individual school performance; and an item analysis detailing performance of individual test questions. Include examples of required reports.

Describe the Vendor's system for providing permanent storage of the candidate data. Upon request of either the candidate or the Division, the system must provide for the retrieval of the candidate response data.

The vendor shall provide each school with a monthly statistical report that outlines the pass/fail summary for the school's students and how they compare with the overall state average.

## **7. CANDIDATE SURVEYS**

At time of testing, the Vendor shall obtain information for the DRE regarding a candidate's possible criminal background. Describe the means to obtain, analyze and report to the Division this type of candidate information and also feedback regarding the education and testing process.

## **RECORDS MANAGEMENT**

The DRE will be using a data base system provided by Systems Automation (LES). Vendor must be able to electronically transmit testing information in a manner in which the information will automatically populate the DRE's data base system.

1. Describe how information regarding candidates and test results would be transferred to DRE offices, so that the DRE can retrieve reports and view candidate information.
2. Describe storage capabilities for retaining candidates' records and capabilities of the DRE to access those records past the term of this contract.
3. For samples of requested info, please see appendix VI.
4. Provide Continuing education tracking for all three industries. Discuss methods to maintain and transmit such information.

Specifically provide current continuing education information to DRE personnel for inclusion into Utah licensing database (LES). See appendix VII for sample data submission requirements for CE education tracking.

## **COST SPECIFICATIONS**

All costs for performing the work required under the contract must be covered through examination fees collected by the Vendor from the candidates.

1. Describe the candidate fees required to support your proposed efforts. Describe the per-examination fee to be charged by the Offeror for each type of examination administered.
2. No hidden fees or extra costs for candidates will be allowed.

## MISCELLANEOUS

1. Present a comprehensive work plan including a detailed start-up plan and a proposed time schedule to accomplish the work defined in this RFP. The Plan must be in sufficient detail to convey to members of the evaluation team the Offeror's knowledge of the subject and skills necessary to accomplishing terms of the project.
2. Describe any additional services Offeror could provide that are not included in this RFP (i.e., application screening, continuing education tracking and credit banking, etc.).
3. Describe Vendor's ability to provide to the DRE the capability of providing a variety of services to the licensees and to the public, such as:
  - a. The ability of the DRE to create a variety of reports.
  - b. The ability of the DRE to send out specialized mailings i.e., renewal notices, licenses, newsletters, etc.
  - c. the ability of the DRE to track renewal and continuing education requirements.
  - d. the ability of the DRE staff to process the records gathered.
  - e. the ability of the DRE staff to merge data from the licensee records into the system's word processing capabilities in order to generate and print letters and documents for candidates, licensees, etc.
  - f. the ability of the DRE staff to compile a complete record for each individual who enters the licensing process and to maintain all links between those licensees with multiple licenses.
  - g. the ability of the DRE staff to have instant file access to meet processing needs or to quickly provide answers the customers expect.
4. Describe Vendor's ability to provide to the DRE on a regular basis new enhancements and capabilities to the system as they become available.
5. Furnish the DRE with examination results via computer disk, or e-mail in a format

## **PROPOSAL RESPONSE FORMAT**

All proposals must be organized as follows:

1. **RFP form.** The State's Request for Proposal form completed and signed.
2. Identifying information – the following information must be included with the proposal:
  - a. Name, address, principal place of business, and telephone number of legal entity with whom contract is to be written.
  - b. Name, address, and telephone numbers of principal officers (president, vice president, treasurer, chairperson of board of directors. Etc.)
  - c. Federal employer ID number
  - d. Name of the Project Manager
3. The proposal format must be organized into the above-described sections, following the exact format using all titles, subtitles, and numbering, with tabs separating each section. Each section must be addressed individually and pages must be numbered. The Offeror is notified that failure to comply with any part of the RFP or not provide the requested information in the format requested may result in rejection of the proposal as non-responsive.
4. All proposals must be on eight and one-half by eleven (8 ½ x 11) inch Typed, double spaced, and placed in binders with tabs separating the major sections. The major sections shall include (1) the management and staff capabilities and specifications; (2) the test development specifications outlined; (3) the test administration specifications; (4) the records management; and (5) miscellaneous.
5. Cost Proposal - Cost will be evaluated independently from the technical proposal. Please enumerate all costs as required under cost specifications.

## **PROPOSAL EVALUATION CRITERIA**

A committee will evaluate proposals against the following weighted criteria. Each area of the evaluation criteria must be addressed in the proposal.

<b>Weight</b>	<b>Criteria</b>
<b>10%</b>	<b>Management and Staffing</b>
<b>25%</b>	<b>Test Development Services</b>
<b>25%</b>	<b>Test Administration Services</b>

25%	Records Management
10%	Cost
5%	Miscellaneous



**Administration of Prelicensing Examinations  
SOLICITATION #6004  
RFP EVALUATION SCORESHEET**

**Firm Name:** \_\_\_\_\_

**Evaluator:** \_\_\_\_\_

**Date:** \_\_\_\_\_

Score will be assigned as follows:

0 = Failure, no response

1 = Poor, inadequate, fails to meet requirement

2 = Fair, only partially responsive

3 = Average, meets minimum requirement

4 = Above average, exceeds minimum requirement

5 = Superior

		Score	Weight (0-5)	Points
<b>1. Management and Staffing</b> (100 points possible)			X 20	
<b>2. Test Development Services</b> (100 points possible)		----	----	
Examination validity	10 points possible		X 2	
Writing the exams	15 points possible		X 3	
Examination reliability	10 points possible		X 2	
Examination equating	10 points possible		X 2	
Security of the exam	10 points possible		X 2	
Multi-media capabilities	10 points possible		X 2	
Statistical reports	10 points possible		X 2	
Defensible pass rate	15 points possible		X 3	
Legal defense of the examination	10 points possible		X 2	
<b>3. Test Administration Services</b> (100 points possible)		----	----	
Candidate handbook	5 points possible		X 1	
Examination sites, schedules and personnel	30 points possible		X 6	
Examination scheduling	10 points possible		X 2	
Examination check-in, screening procedures	5 points possible		X 1	
Examination scoring and candidate reporting	10 points possible		X 2	
Summary reports	5 points possible		X 1	
Candidate surveys	10 points possible		X 2	
Electronic fingerprinting capabilities	10 points possible		X 2	
<b>4. Records Management</b> (100 points possible)		-----	-----	
Electronic transfer of test data to DRE offices	40 points possible		X 8	
Secure storage capabilities of records	20 points possible		X 4	
Continuing Education tracking for real estate, mortgage lender and appraisal industries	40 points possible		X 8	

<b>5. Miscellaneous</b> (100 points possible)		----	-----	
Start up plan	60 points possible			
Additional services	10 points possible		X 2	
Continual update of system	10 points possible		X 2	
Communication between vendor and DRE	10 points possible		X2	
Maintaining security of database	10 points possible		X2	
<b>6. Cost</b> (100 points possible)				* Inserted by Purchasing
<b>TOTAL EVALUATION POINTS</b>	(600 points possible)		<b>Total</b>	

\* Purchasing will use the following cost formula: The points assigned to each offerors cost proposal will be based on the lowest proposal price. The offeror with the lowest Proposed Price will receive 100% of the price points. All other offerors will receive a portion of the total cost points based on what percentage higher their Proposed Price is than the Lowest Proposed Price. An offeror whose Proposed Price is more than double (200%) the Lowest Proposed Price will receive no points. The formula to compute the points is : Cost Points x (2- Proposed Price/Lowest Proposed Price).

## APPENDIX 1

# GENERAL CONTENT OUTLINE SALES AGENT AND BROKER EXAMINATIONS

- I. Real property characteristics, definitions, ownership, restrictions, and transfers (20 %)**
  - A. Definitions, descriptions and ways to hold title
    - 1. Elements of real and personal property
    - 2. Property description and legal description
    - 3. Estates in real property
    - 4. Forms, rights, interests, and obligations of ownership
  - B. Land use controls and restrictions
    - 1. Public (e.g., zoning, taxation, police power)
    - 2. Private (e.g., liens, encumbrances, recording and priorities, subdivision / association rules)
  - C. Transfer / alienation of title to real property
    - 1. Voluntary and involuntary
    - 2. Deeds, warranties, and defects in title
- II. Assessing and explaining property valuation and the appraisal process (15%)**
  - A. Principles, types and estimates of property value
  - B. Influences on property value
  - C. Approaches to property valuation and investment analysis
- III. Contracts, agency relationships with buyers and sellers, and federal requirements (25%)**
  - A. Contract elements, types (e.g., valid, enforceable), and terminology
  - B. Agency employment contracts, listing and buyer agency agreements, and required elements
  - C. Purchase / Sales contracts contingencies
  - D. General agency relationships and fiduciary responsibilities
  - E. Property conditions and disclosures (e.g., property, environmental)
  - F. Procedures and laws governing real estate activities (e.g., Federal Fair Housing Act, Americans with Disabilities Act, Antitrust, Marketing controls)

## **Appendix I, Continued**

### **IV. Financing the transaction and settlement (25%)**

- A. Financing components
  - 1. Financing instruments (e.g., notes, mortgages, contract for deed, deed of trust)
  - 2. Sources (e.g., primary and secondary mortgage markets, seller financing)
  - 3. Types of loans
  - 4. Financing concepts and terminology
- B. Lender requirements and obligations
- C. Settlement procedures
- D. Settlement documents (e.g., title review, RESPA)
- E. Financing costs, property taxation, proration calculations, and other closing costs

### **V. Leases, rents, and property management (15%)**

- A. Types and elements of leasehold estates, leases, lease clauses, and rental agreements
- B. Lessor and lessee rights, responsibilities and recourse
- C. Management contracts and obligations of parties

## **APPENDIX II**

# **STATE CONTENT OUTLINE SALES AGENT AND BROKER EXAMINATIONS**

- I. Definitions**
  - A. Real Estate commission
  - B. Division and Commission vs. Association of Realtors
  - C. Principal broker, associate broker, sales agent
  - D. Miscellaneous
  
- II. Licensing**
  - A. When a license is required
  - B. Who is exempt from licensing
  - C. Minimum qualifications for license
  - D. License maintenance
    - 1. Renewals
    - 2. Transfers
    - 3. Terminations
    - 4. Activation / inactivation
    - 5. Continuing education
  
- III. Real estate office procedures**
  - A. Records and documents
  - B. Trust accounts
  - C. Branch offices
  
- IV. Property management**
  
- V. Licensee conduct**
  - A. Statutory standards
  - B. Administrative rule standards
    - 1. Agency disclosure
    - 2. Use of approved forms
  
- VI. Enforcement**
  - A. Filing and notice of complaint, investigation
  - B. Audits
  - C. Administrative action
  
- VII. Real Estate Education, Research and Recovery Fund**
  - A. Purpose
  - B. Payments from the fund / revocation of license

## **Appendix II, Continued**

- VII. Utah water rights**
  - A. Water history
  - B. Water appropriation
- IX. Statute of Frauds**
- X. Closing statements**

## APPENDIX III

### CONTENT OUTLINE APPRAISER EXAMINATIONS

	Weighting for:	LA	CR	CG
<b>I.</b>	<b>Influences on Real Estate Value</b>	<b>(5%)</b>	<b>(5%)</b>	<b>(5%)</b>
	A. Physical and environmental			
	B. Economic			
	C. Governmental and legal			
	D. Social			
<b>II.</b>	<b>Legal Considerations in Appraisal</b>	<b>(5%)</b>	<b>(5%)</b>	<b>(4%)</b>
	A. Real estate vs. real property			
	B. Real property vs. personal property			
	C. Limitations on real estate ownership			
	D. Legal rights and interests			
	E. Forms of property ownership			
	F. Legal descriptions			
	G. Transfer of title			
<b>III.</b>	<b>Types of Value</b>	<b>(5%)</b>	<b>(5%)</b>	<b>(3%)</b>
	A. Market value or value in exchange			
	B. Price			
	C. Cost			
	D. Investment value			
	E. Value in use			
	F. Assessed value			
	G. Insurable value			
<b>IV.</b>	<b>Economic Principles</b>	<b>(6%)</b>	<b>(6%)</b>	<b>(4%)</b>
	A. Anticipation			
	B. Balance			
	C. Change			
	D. Competition			
	E. Conformity			
	F. Contribution			
	G. Increasing and decreasing returns			
	H. Substitution			
	I. Supply and demand			
	J. Surplus productivity			

### Appendix III, Continued

<b>V.</b>	<b>Real Estate Markets and Analysis</b>	<b>(9%)</b>	<b>(9%)</b>	<b>(11%)</b>
	A. Characteristics of real estate markets			
	B. Absorption analysis			
	C. Role of money and capital markets			
	D. Real estate financing			
<b>VI</b>	<b>Valuation Process</b>	<b>(7%)</b>	<b>(7%)</b>	<b>(5%)</b>
	A. Definition of the problem			
	B. Collection and analysis of data			
	C. Analysis of highest and best use			
	D. Application and limitations of each approach to value			
	E. Reconciliation and final value estimate			
	F. The appraisal report			
<b>VII.</b>	<b>Property Description</b>	<b>(9%)</b>	<b>(9%)</b>	<b>(8%)</b>
	A. Site description			
	B. Improvement description			
	C. Basic construction and design			
<b>VIII.</b>	<b>Highest and Best Use Analysis</b>	<b>(8%)</b>	<b>(8%)</b>	<b>(9%)</b>
	A. Four tests			
	B. Vacant site or as if vacant			
	C. As improved			
	D. Interim use			
<b>IX.</b>	<b>Appraisal Math &amp; Statistical Concepts</b>	<b>(6%)</b>	<b>(6%)</b>	<b>(6%)</b>
	A. Mean			
	B. Median			
	C. Mode			
	D. Range			
	E. Standard deviation			
<b>X.</b>	<b>Sales Comparison Approach</b>	<b>(10%)</b>	<b>(7%)</b>	<b>(6%)</b>
	A. Research and selection of comparables			
	B. Elements of comparison			
	C. Adjustment process			
	D. Application of Sales Comparison approach			
<b>XI.</b>	<b>Site Value</b>	<b>(5%)</b>	<b>(5%)</b>	<b>(6%)</b>
	A. Sales comparison			
	B. Land residual			
	C. Allocation			
	D. Extraction			
	E. Plottage and assemblage			



### **Appendix III, Continued**

<b>XII.</b>	<b>Cost Approach</b>	<b>(5%)</b>	<b>(6%)</b>	<b>(7%)</b>
	A. Steps in cost approach			
	B. Application of the cost approach			
<b>XIII.</b>	<b>Income Approach</b>	<b>(6%)</b>	<b>(8%)</b>	<b>(12%)</b>
	A. Estimation of income and expenses			
	B. Operation expense ratios			
	C. Gross rent multiplier			
<b>XIV.</b>	<b>Valuation of Partial Interests</b>	<b>(1%)</b>	<b>(1%)</b>	<b>(3%)</b>
	A. Life estates			
	B. Undivided interest in commonly held property			
	C. Easements			
	D. Timeshares			
	E. Cooperatives			
	F. Leased fee estate			
	G. Leasehold estate			
<b>XV.</b>	<b>Appraisal Standards and Ethics</b>	<b>(13%)</b>	<b>(13%)</b>	<b>(13%)</b>

## APPENDIX IV

# GENERAL CONTENT OUTLINE MORTGAGE LENDER EXAMINATION

### **I. General Mortgage Industry knowledge (31%)**

- A. Mortgage categories
  - 1. Conventional/conforming
  - 2. Government (FHA, VA)
  - 3. Jumbo/non-conforming
  - 4. Sub-prime
  - 5. Niche
  - 6. Second mortgage
  - 7. Construction
- B. Mortgage products
  - 1. Fixed rate
  - 2. Variable rate/ARMs
  - 3. Balloons
- C. Retail product pricing
  - 1. Service Release Premium (SRP)
  - 2. Yield spread premiums (YSP)
  - 3. Lender fees
  - 4. Price adjustments (incl. discounts)
- D. Financial calculations
  - 1. Payment and ratios
  - 2. Interest
  - 3. Closing costs
  - 4. Other
- E. Primary and secondary markets
  - 1. Primary
  - 2. Secondary
    - a) Fannie Mae
    - b) Freddie Mac
    - c) Ginne Mac
- F. Effect of the tax financial markets
- G. Other general mortgage matters

### **II. Mortgage-related professional practices (12%)**

- A. General real estate law and terms
  - 1. Real estate purchase contracts
  - 2. Real estate ownership and restrictions
    - a) Types of ownership (joint tenants, tenancy in common, etc)
    - b) Liens and other restrictions

## **Appendix IV, Continued**

- B. Appraisals
  - 1. Approaches to valuation
    - a) Cost
    - b) Income
    - c) Market
  - 2. Appraisal terms
- C. Insurance
  - 1. Hazard and related insurance
  - 2. Mortgage insurance
    - a) Coverage
    - b) Fannie/Freddie/FHA/VA requirements
    - c) Lender paid
    - d) Removing mortgage insurance
  - 3. Title and title insurance

### **III. Federal Mortgage-related Law and Regulatory Compliance (25%)**

- A. RESPA (Real Estate Settlement Procedures Act) and Regulation X
  - 1. Good-Faith
  - 2. HUD-1
  - 3. Settlement cost booklet
  - 4. Notice of transfer of servicing
  - 5. Aggregate escrow analysis
  - 6. Kickbacks and referral fees
  - 7. Exempt transactions
  - 8. Terms defined in RESPA
  - 9. Settlement services
  - 10. Penalties
- B. Truth in Lending Act (e.g. Regulation Z, ZPR)
  - 1. Advertising
  - 2. Disclosure
  - 3. Notice of right to cancel
  - 4. Home Ownership and Equity Protection Act (HOEPA)
- C. Fair Lending
  - 1. FH Act (Fair Housing Act)
  - 2. ECOA (Equal Credit Opportunity Act) and Regulation B
  - 3. HMDA (Home Mortgage Disclosure Act)
- D. Agencies related to mortgage lending
  - 1. Fannie Mae
  - 2. Freddie Mac
  - 3. Ginnie Mae
  - 4. Federal Trade Commission
  - 5. Department of Housing and Urban Development (HUD)
  - 6. Department of Veterans' Affairs

## **Appendix IV, Continued**

E. Identification and consequences

### **IV. Residential Mortgage Lending Practice (31%)**

- A. Qualifying process
- B. Applications
  - 1. Uniform Residential Loan Application
  - 2. Disclosure documents (i.e., GFE, TIL, ECOA)
- C. Assembling, verifying and evaluating applicant information
  - 1. Financial statements and tax returns
  - 2. Credit history and credit scoring
  - 3. Income
  - 4. Expense and ratios
  - 5. Property
  - 6. Types of acceptable assets
- D. Underwriting and program guidelines
  - 1. FHA
  - 2. VA
  - 3. Fannie Mae, Freddie Mac
  - 4. Other
- E. Relationship with clients
  - 1. Lock-in and float agreements
  - 2. Prepayment penalties
  - 3. Handling client funds
  - 4. Adverse action procedures
  - 5. Legal implications of giving tax and real estate advice
- F. Closing process and documents
  - 1. Closing conditions and funding conditions
  - 2. Borrower review of closing
  - 3. Uniforms Settlement Statement (HUD-1)
  - 4. Note, trust deed, and application riders
  - 5. TIL Federal Box Form
  - 6. Compliance documents
- G. Post-closing issues
  - 1. Repurchasing/buy-back
  - 2. Compliance
  - 3. Early default
  - 4. Premium recovery
  - 5. Foreclosure

## **APPENDIX V**

# **STATE CONTENT OUTLINE MORTGAGE LENDER EXAMINATION**

### **I. Statutes**

- A. Utah Residential Mortgage Practices Act: Section 61-2c-101 through 61-2c-403
- B. Utah Mortgage Lending and Servicing Act: 70D-1-6 Fee Restrictions

### **II. Rules**

- A. Residential Mortgage Administrative Rules

## **Appendix VII**

A tab-delimited file containing the following:

license number of the licensee, date of course formatted as YYYYMMDD, certification number of the course, course title, number of credits.